



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 17-16]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Pamela Young, (703) 697-9107, pamela.a.young14.civ@mail.mil or Kathy Valadez, (703) 697-9217, kathy.a.valadez.civ@mail.mil; DSCA/DSA-RAN.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 17-16 with attached Policy Justification and Sensitivity of Technology.

Dated: October 24, 2017.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
AHLINGTON, VA 22202-5408

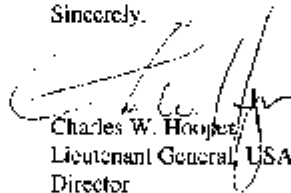
The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

OCT 16 2017

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 17-16, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Kuwait for defense articles and services estimated to cost \$29 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,



Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified document provided under separate cover)



Transmittal No. 17-16

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Kuwait

(ii) Total Estimated Value:

Major Defense Equipment*	\$27 million
Other	<u>\$ 2 million</u>
TOTAL	\$29 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Two hundred eighteen (218) M1A1 Abrams Tank Hulls with 120mm cannons

Two hundred eighteen (218) AGT-1500 (M1 Tank Series) Engines

Non-MDE:

Also includes transportation and other logistics support.

(iv) Military Department: Army (UXA)

(v) Prior Related Cases, if any: KU-B-JAT, KU-B-UKO, KU-B-UKN, KU-B-ULB, KU-B-ULX, KU-B-UMK

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: October 16, 2017

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Kuwait–M1A1 Abrams Tanks

The Government of Kuwait has requested a possible sale of two hundred eighteen (218) M1A1 Abrams tank hulls with 120mm cannons and two hundred eighteen (218) AGT-1500 (M1 Tank Series) engines in support of its M1A2 tank recapitalization. Also included are transportation and other logistics support. The estimated cost is \$29 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country. Kuwait plays a large role in U.S. efforts to advance stability in the Middle East, providing basing, access, and transit for U.S. forces in the region.

This potential sale is associated with Congressional Notification 16-66 which was notified to Congress on December 12, 2016, regarding recapitalization of 218 Kuwait M1A2 tanks. Subsequent to the notification, Kuwait requested 218 M1A1 tank hulls from U.S. inventory be provided and upgraded vice using Kuwait's current fleet of tanks due to its interest in maintaining operational readiness. Kuwait will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The M1A1 tank hulls will come from U.S. inventory. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Kuwait.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 17-16

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. 120mm Gun. The gun is composed of a 120mm smoothbore gun (cannon) manufactured at Watervliet Arsenal; "long rod" Armor-piercing fin-stabilized discarding-sabot (APFSDS) warheads; and combustible cartridge case ammunition. There may be a need to procure/produce new gun cannon tubes from Watervliet Arsenal. New cannons inducted at Anniston Army Depot would be inspected according to established criteria and shipped to Lima Army Tank Plant for the tank upgrade process. The highest level of information that could be disclosed through the sale of this end-item is UNCLASSIFIED.

2. AGT-1500 Gas Turbine Propulsion System. The use of a gas turbine propulsion system in the M1A2 is a unique application of armored vehicle power pack technology. The hardware is composed of the AGT-1500 engine and transmission and is not classified. Manufacturing processes associated with the production of turbine blades, recuperator, bearings and shafts, and hydrostatic pump and motor are proprietary and therefore commercially competition sensitive. The highest level of information that could be disclosed through the sale of this end-item is UNCLASSIFIED.

3. All defense articles and services listed on this transmittal are authorized for release and export to the Government of Kuwait.